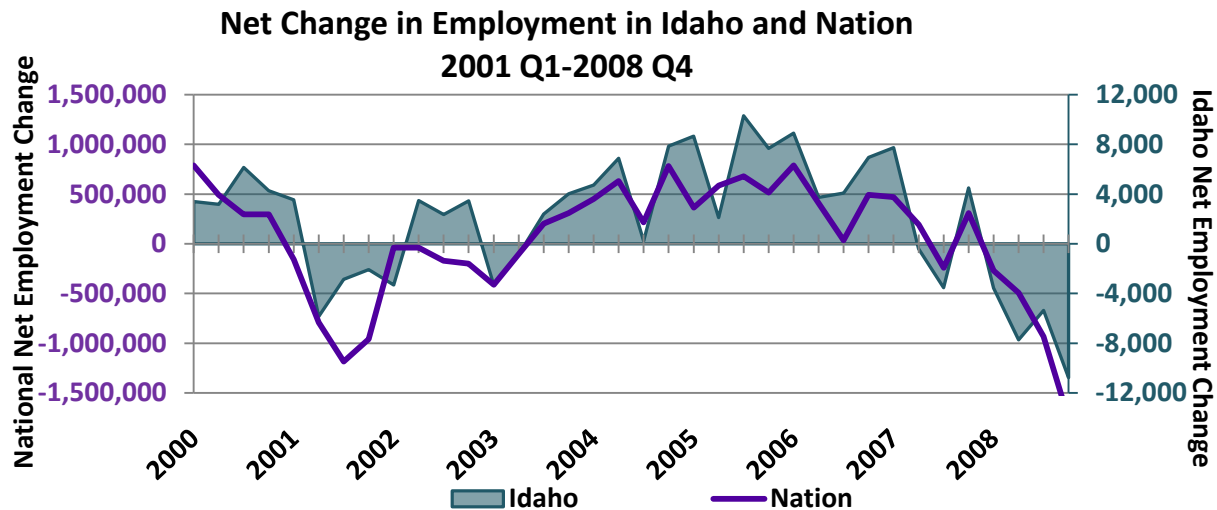
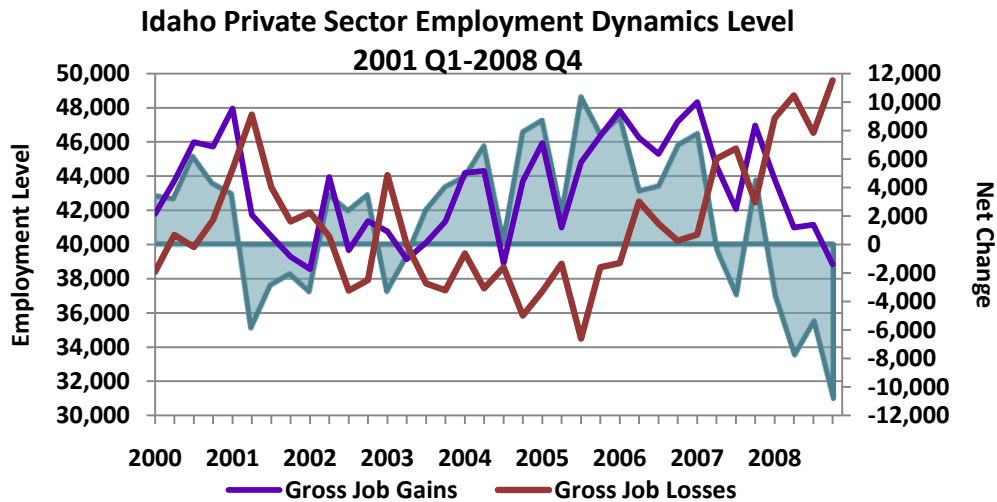


## Idaho Business Employment Dynamics Fourth Quarter 2008

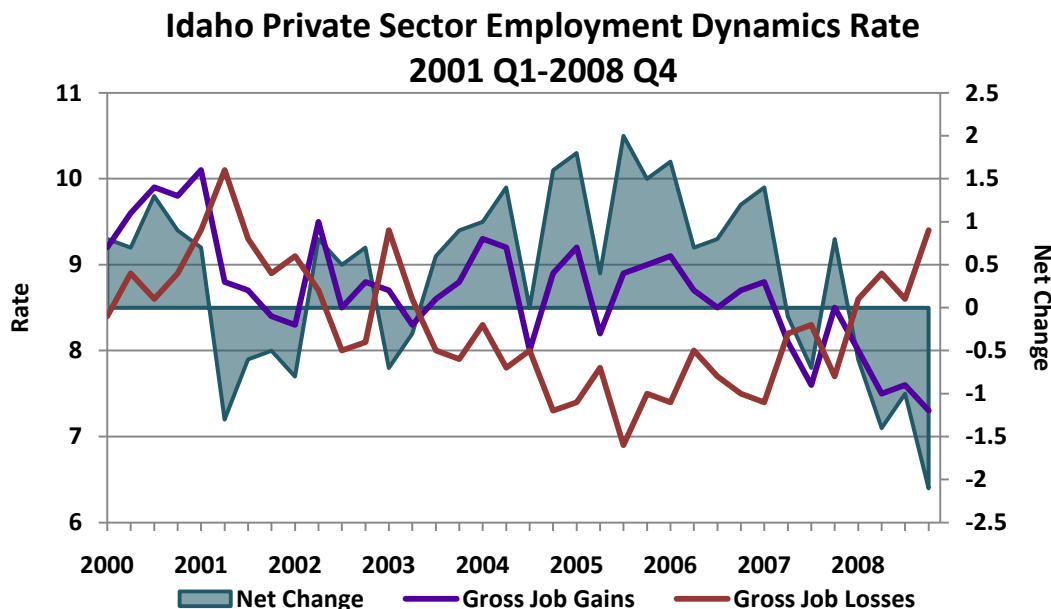
Idaho suffered a net loss of 10,700 private sector jobs during the fourth quarter of 2008 on a seasonally adjusted basis, pushing total net job loss for 2008 over 27,400. These four quarters of consecutive job loss matched the economic experience during the 2001 recession, but the job loss in the current recession through 2008 was substantially greater than 2001's just over 14,000, according to the Business Employment Dynamics program of the U.S. Bureau of Labor Statistics.



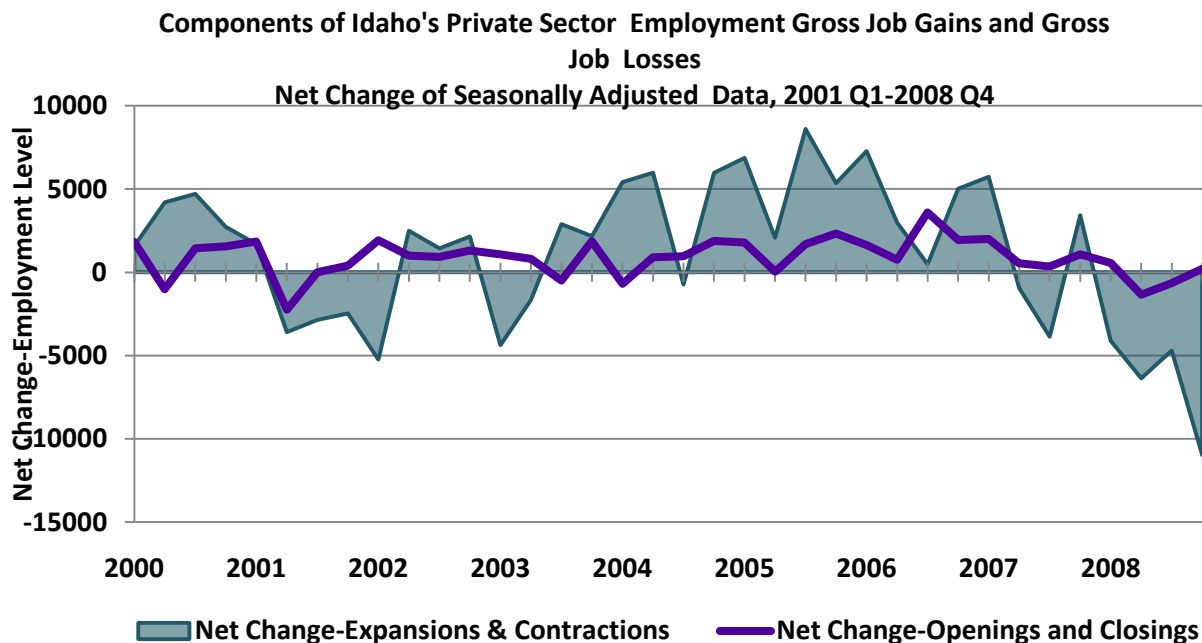
The Business Employment Dynamics program tracks information on job gains and job losses from private businesses opening, expanding, closing and downsizing, providing another tool for analyzing the business cycle. From October to December 2008, Idaho's opening and expanding businesses added fewer than 39,000 jobs while those closing or downsizing cut over 49,000. The net loss of nearly 10,800 jobs was the largest quarterly job loss since the statistical series began in 1992.



While the National Bureau of Economic Research marks the recession's start in December 2007, Idaho began seeing evidence of a slowdown during the second quarter of 2007. In the six quarters that followed, Idaho lost jobs in all but the fourth quarter of 2007, and in spite of that quarter's slight gain, the net number of jobs lost since the downward trend began approached 27,000 by the end of 2008.

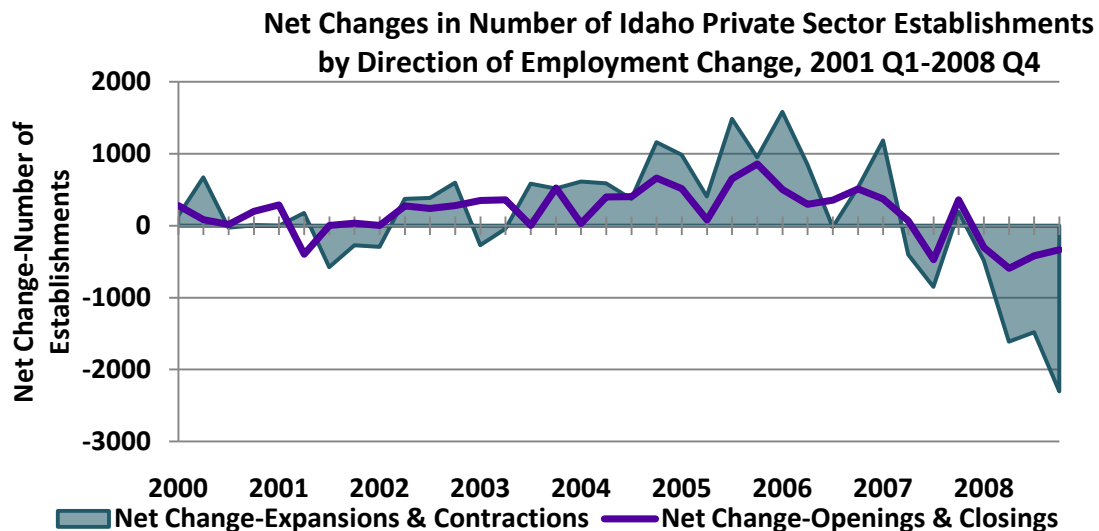


The rate of job gains reached an all-time low in the fourth quarter of 2008 at just 7.3 percent, and that was more than offset by a 9.4 percent decline in jobs from businesses downsizing or outright closing. That was up from the third quarter and the highest percentage job loss since the recession began.

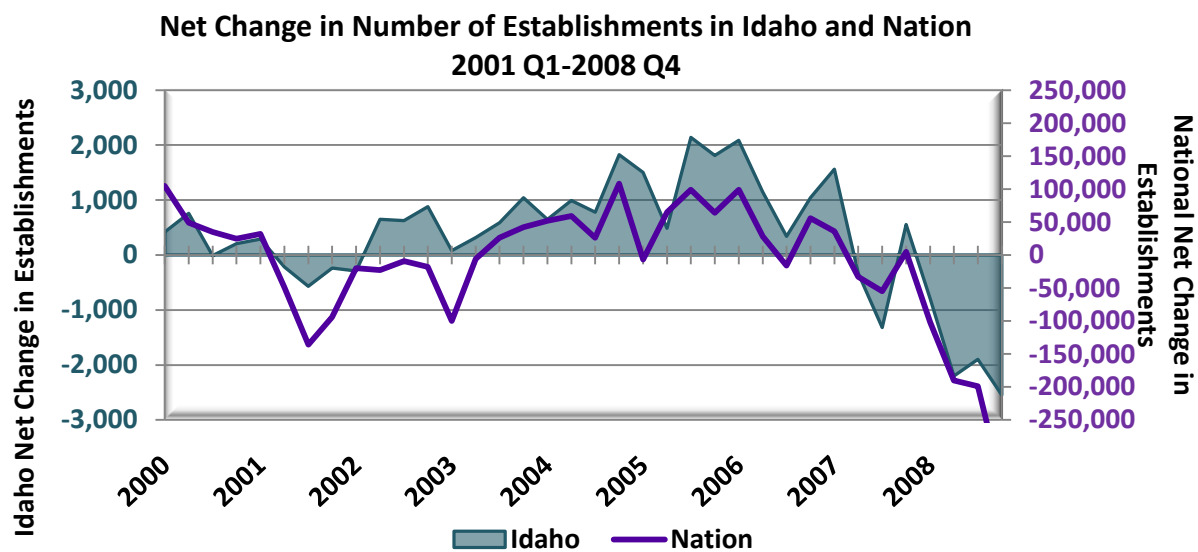


Contracting businesses shed nearly 11,000 more jobs than expanding businesses created during the fourth quarter of 2008 while new businesses created only 215 more jobs than closing businesses eliminated.

Just under 11,500 of Idaho's 50,000 businesses added jobs during the fourth quarter of 2008 – 8,600 through expansion and 2,800 opening for the first time. But over 14,000 others eliminated jobs – 10,900 downsized and 3,200 closed altogether.



Nationally, fourth quarter 2008 saw a job loss of over 1.7 million stretching across all economic sectors. That exceeded the previous record loss of nearly 1.2 million in the third quarter of 2001. New and expanding businesses created 6.7 million jobs, 110,000 fewer than in the third quarter. That was more than offset by the loss of 8.5 million jobs as even more businesses closed or pared payrolls.



All sectors but utilities, education and health services experienced net job loss in the fourth quarter of 2008. Health care and education posted a net increase of 176,000 jobs across the county during the quarter, continuing to be the only sectors to gain every quarter since the beginning of the series in 1992. Utilities gained 1,000 jobs. But those gains were overwhelmed by the loss of 423,000 jobs in manufacturing, 385,000 in professional and business services, 337,000 in construction, 346,000 in retail trade, 124,000 in leisure and hospitality and 109,000 in financial services. This was the largest quarterly loss for financial services in the six straight quarters it has seen jobs contract.

Alaska remained the state with the highest gross job gain at 10.9 percent followed by Wyoming's 8.8 percent. The third highest job gain was Montana's at 7.9, and Idaho posted a gross job gain rate of 7.3, ranking sixth nationally. Alaska's job gain, however, was more than offset by an 11.2 percent gross job loss, the highest loss rate in the nation, and Idaho's gain was overshadowed by a 9.4 percent job loss. Nevada ranked third with a 9.3 percent increase in job losses. Overall, Idaho's economy throughout 2008 fell at record rates with further declines anticipated.

\*The Business Employment Dynamics data series includes job gains and losses at private sector establishments. The data represent the change in the number of jobs over time, which is the net result of increases and decreases in employment that occur at all businesses in the economy. More information on Business Employment Dynamics series is on the Web at [www.bls.gov/bdm/](http://www.bls.gov/bdm/).

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\*This article also appears in the October 2009 issue of Idaho Employment Newsletter. Click [HERE](#) to read the newsletter.